

July 14, 2004

The Honorable Robert Bunda, President
and Members of the Senate
Twenty-Second State Legislature
State Capitol, Room 003
Honolulu, Hawaii 96813

Dear Mr. President and Members of the Senate:

Re: House Bill No. 2814, H.D.2, S.D.1, C.D.1

On July 13, 2004, House Bill No. 2814, entitled "Relating to Kalaupapa Settlement" became law without my signature, pursuant to Section 16 of Article III of the State Constitution.

The purpose of this bill is to require the Department of Health to report annually to the Legislature on its efforts to improve conditions for Kalaupapa residents. The report is to discuss improvement in addressing medical and other needs, improvement in the living environment, management of state resources including benefits given to employees, stewardship of State property, development of policies for the Kalaupapa store, establishment of a complaint system, the performance of the Kalaupapa administrator, and justification for employee air travel and trail pay. The bill also requires separate tracking of patient and nonpatient costs.

This bill raises three concerns. First, the Department of Health has already agreed to make the operational improvements required by this bill and, in fact, had begun implementing many of the recommended changes in 2003. The department expects that many of the improvements will have been addressed by the next legislative session or within the next two years. To require the department to report on these matters on a permanent basis is unnecessary and inappropriate. We encourage the Legislature to sunset this measure after corrective actions are taken.

Second, the bill impinges on the responsibilities of the State as an employer. Employee performance reports and approval of employee air travel requests are the responsibility of the employing agency within the Executive Branch. While the Legislature has the authority to ask for this kind of information, it is inappropriate to require annual reports on these matters.

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Third, the bill requires separate tracking of patient and nonpatient costs. The Department of Health testified throughout the legislative session that the department is unable at this time to separate patient and employee utility costs such as electricity, phone, and water. Without the ability to produce this kind of reporting, it is inappropriate for the Legislature to mandate the Department of Health to produce a report they are incapable of generating. At best, the department will have to provide pro-rata estimates.

Therefore, I allowed House Bill No. 2814, H.D.2, S.D.1, C.D.1 to become law as Act 232, effective July 13, 2004, without my signature. As stated above, we recommend legislation to sunset this measure as soon as the concerns raised in this bill have been properly and fully addressed.

Sincerely,

LINDA LINGLE